

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:

W.R. GRACE & CO., et al.

Debtors.

Chapter 11

Case No. 01-1139 (JKF)

Objection Deadline: January 31, 2007 at 4:00p.m.

Hearing: Schedule if Necessary (Negative Notice)

COVER SHEET TO TENTH MONTHLY INTERIM APPLICATION OF  
ORRICK, HERRINGTON & SUTCLIFFE LLP, BANKRUPTCY COUNSEL  
TO DAVID T. AUSTERN, FUTURE CLAIMANTS' REPRESENTATIVE, FOR  
COMPENSATION AND REIMBURSEMENT OF EXPENSES FOR THE PERIOD  
NOVEMBER 1, 2006 THROUGH NOVEMBER 30, 2006

Name of Applicant: Orrick, Herrington & Sutcliffe LLP ("Orrick")

Authorized to Provide Professional Services to: David T. Austern, Future Claimants' Representative (the "FCR")

Date of Retention: As of February 6, 2006 pursuant to Order entered by Court on May 8, 2006

Period for which compensation is sought: November 1, 2006 through November 30, 2006

Amount of Compensation (100%) sought as actual, reasonable, and necessary: \$387,429.00

80% of fees to be paid: \$309,943.20<sup>1</sup>

Amount of Expense Reimbursement sought as actual, reasonable and necessary: \$ 31,267.21

Total Fees @ 80% and 100% Expenses: \$341,210.41

This is an:      interim   X   monthly      final application.

<sup>1</sup> Pursuant to the Administrative Order, as amended, entered April 17, 2002, absent timely objections, the Debtors are authorized and directed to pay 80% of fees and 100% expenses.

The total time expended for fee application preparation during this time period is 22.60 hours and the corresponding fees are \$5,070.50 and \$5,139.73 in expenses for Orrick's fee applications and 14.00 hours and \$2,198.00 in fees and \$3,733.75 in expenses for the FCR and/or his other professionals' fee applications. Any additional time spent for this matter will be requested in subsequent monthly interim applications.

This is Orrick's Tenth interim fee application for the period November 1-30, 2006. Orrick has previously filed the following interim fee applications with the Court:

<u>Interim Period</u>	<u>Fees @ 100%</u>	<u>Fees @ 80%</u>	<u>Expenses @ 100%</u>	<u>Total Fees @ 80% &amp; 100% Expenses</u>
First Interim Period February 6-28, 2006	\$89,026.00	\$71,220.80	\$0.00	\$71,220.80
Second Interim Period March 1-31, 2006	\$117,266.25	\$93,813.00	\$7,501.32	\$101,314.32
Third Interim Period April 1-30, 2006	\$125,362.50	\$100,290.00	\$1,783.43	\$102,073.43
Fourth Interim Period May 1-31, 2006	\$136,416.00	\$109,132.80	\$6,389.80	\$115,522.60
Fifth Interim Period June 1-30, 2006	\$194,266.75	\$155,413.40	\$6,395.69	\$161,809.09
Sixth Interim Period July 1-31, 2006	\$181,982.00	\$145,585.60	\$11,934.45	\$157,520.05
Seventh Interim Period August 1-31, 2006	\$152,041.50	\$121,633.20	\$5,711.17	\$127,344.37
Eighth Interim Period Sept. 1-30, 2006	\$223,996.25	\$179,197.00	\$8,006.50	\$187,203.05
Ninth Interim Period October 1-31, 2006	\$225,845.00	\$180,676.00	\$24,528.57	\$205,204.57

To date, Orrick has received payments from the Debtors in the following amounts:

- \$71,220.80 representing 80% of fees and 100% of expenses for February 2006
- \$101,314.32 representing 80% of fees and 100% of expenses for March 2006
- \$17,805.20 representing 20% of fees for February 2006
- \$23,453.25 representing 20% of fees for March 2006
- \$102,073.43 representing 80% of fees and 100% of expenses for April 2006
- \$115,522.60 representing 80% of fees and 100% of expenses for May 2006
- \$161,809.09 representing 80% of fees and 100% of most expenses for June 2006
- \$157,520.05 representing 80% of fees and 100% of expenses for July 2006
- \$127,344.37 representing 80% of fees and 100% of expenses for August 2006
- \$187,203.05 representing 80% of fees and 100% of expenses for September 2006
- \$91,209.05 representing 20% of fees for April, May and June 2006

**COMPENSATION SUMMARY**  
**NOVEMBER 1-30, 2006**

<b><u>Name of Professional Person</u></b>	<b><u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u></b>	<b><u>Hourly Billing Rate</u></b>	<b><u>Total Billed Hours</u></b>	<b><u>Total Fees</u></b>
John Ansbro	Partner, 2 years in position; 12 years relevant experience; 1995, Litigation	\$570	22.2	\$12,654.00
Roger Frankel	Partner, 23 years in position; 35 years relevant experience; 1971, Bankruptcy	\$725	93.5	\$67,787.50
Jonathan P. Guy	Partner, 6 years in position; 16 years relevant experience; 1993, Bankruptcy	\$605	72.7	\$43,983.50
Garret G. Rasmussen	Partner, 24 years in position; 32 years relevant experience; 1974, Litigation	\$645	30.3	\$19,543.50
Raymond G. Mullady, Jr.	Partner, 13 years in position; 23 years relevant experience; 1983, Litigation	\$660	62.5	\$40,425.00 <sup>2</sup>
Richard H. Wyron	Partner, 17 years in position; 27 years relevant experience; 1979, Bankruptcy	\$645	42.5	\$27,412.50
Mary A. Wallace	Of Counsel, 5 years in position; 17 years relevant experience; 1989, Corporate	\$500	.2	\$100.00
Matthew W. Cheney	Associate, 8 years in position; 8 years relevant experience; 1997, Bankruptcy	\$490	44.3	\$21,707.00
Debra L. Felder	Associate, 4 years in position; 4 years relevant experience; 2002, Bankruptcy	\$430	184.4	\$79,292.00
Annie L. Hermele	Associate, 2 years in position; 2 years relevant experience; 2004, Litigation	\$375	37.9	\$14,212.50
Katherine Thomas	Associate, 3 years in position; 3 years relevant experience; 2003, Bankruptcy	\$375	12.5	\$4,687.50
Shannon D. Venegas	Associate, 2 years in position; 2 years relevant experience; 2004, Litigation	\$375	99.9	\$37,462.50
Rachael M. Barainca	Legal Assistant	\$140	60.0	\$8,400.00

<sup>2</sup> This amount reflects a reduction of \$825.00 for the 50% discount of hourly rates for 2.5 hours of non-working travel billed to the Litigation Matter.

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
James Cangialosi	Legal Assistant	\$220	1.0	\$220.00
Debra O. Fullem	Senior Legal Assistant	\$210	18.9	\$3,969.00
Aurora M. Hamilton	Legal Assistant	\$190	4.0	\$760.00
Edward Moran Lafayette	Legal Assistant	\$145	27.5	\$3,987.50
<b>Total</b>			<b>814.3</b>	<b>\$387,429.00</b>
<b>Blended Rate: \$475.78</b>				

**COMPENSATION BY PROJECT CATEGORY**  
**NOVEMBER 1-30, 2006**

<u>Project Category</u>	<u>Total Hours</u>	<u>Total Fees</u>
Case Administration	18.5	\$2,765.00
Insurance	7.4	\$4,869.00
Litigation	723.8	\$354,275.00
Plan & Disclosure Statement	24.6	\$17,537.50
Retention of Professionals-Orrick	3.4	\$714.00
Compensation of Professionals-Other	14.0	\$2,198.00
Compensation of Professionals-Orrick	22.6	\$5,070.50
<b>TOTAL</b>	<b>512.30</b>	<b>\$387,429.00</b>

**EXPENSE SUMMARY**  
**NOVEMBER 1-30, 2006**

<u>Expense Category</u>	<u>Total</u>
Court Messenger Research	\$85.00
Duplicating	\$3,420.05
Expert: Fees and Expenses	\$14,290.00 <sup>3</sup>
Facsimile	\$5.00
Meals	\$620.99
Parking	\$43.00
Postage/Express Delivery	\$996.13
Telephone	\$237.99
Travel - Air Fare/Train	\$389.25
Travel - Taxi	\$19.00
Westlaw and Lexis Research	\$3,078.45
<b>TOTAL</b>	<b>\$31,267.21</b>

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<sup>3</sup> The FCR has designated a number of experts in connection with the estimation of Grace's asbestos personal injury liabilities. This amount includes fees and expenses paid to such consulting on litigation experts during the month of November.

Orrick's Client Charges and Disbursements Policy effective January 1, 2006, is as follows:

a. ***Duplicating*** -- It is Orrick's practice to charge all clients of the Firm for duplicating at the in-house rate of 20¢ per page; however, Orrick has reduced the duplicating cost to 15¢ per page in order to comply with the Local Rules of this Court. This charge includes the cost of maintaining the duplicating facilities and the actual cost involved with respect to the duplication.

b. ***Long Distance Telephone and Facsimile Charges*** -- Orrick charges clients for long distance telephone calls but not for local telephone calls. Necessary mobile phone usage is reimbursed to professionals submitting an appropriate bill. Out-going facsimile transmissions are charged at \$1.50 per page, plus any long-distance calling cost, and there is no charge for incoming facsimiles.

c. ***Messenger and Courier Service*** -- It is Orrick's practice to use Federal Express or similar express mail delivery and third-party messenger services only in exigent circumstances (i.e., when needed to meet a deadline or when a next-day response from the recipient was necessary or beneficial to the case) and only when less costly than other available alternatives.

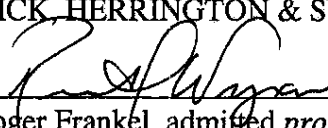
d. ***Overtime*** -- It is Orrick's practice to allow professionals and paraprofessionals working more than 3 hours of overtime to charge a meal to the appropriate client at a meal charge limited to \$7.50 per professional. It is Orrick's practice to allow professionals and support staff to charge a car service or cab to the appropriate client when working at least 2 hours of overtime. Orrick endeavored not to incur overtime charges unless necessary to benefit the case and in certain exigent circumstances. Orrick utilized secretarial assistance in connection with monitoring and updating case dockets and downloading, circulating and printing of pleadings filed in the case. Thus, certain charges were incurred by secretaries for overtime. (Note: These charges are at rates less than that charged by Orrick paralegals or other professional staff who may have otherwise performed this type of work.)

e. ***Computerized Research*** -- It is Orrick's practice to use computer-assisted legal research when it is efficient to do so. The charge to clients for Lexis and Westlaw are based on retail rates that do not include non-client specific volume discounts offered to Orrick. Use of fee based internet research services other than Lexis and Westlaw is charged at Orrick's cost. There is no separate charge for free internet research.

Respectfully submitted,

ORRICK, HERRINGTON & SUTCLIFFE LLP

Dated: January 11, 2007

By:   
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